

Kentucky Agricultural Development Board

Minutes of the January 19, 2007 Board Meeting

The Kentucky Agricultural Development Board was held on **January 19, 2007** at **10:00 AM EST**, at the Franklin County Cooperative Extension Office in Frankfort, KY. Mark Farrow, presiding, called the meeting to order, and the Secretary called the roll.

Roll Call

Members Present

Donna Amburgey; H. H. Barlow; John Cleaver; Rodney Dick; Commissioner Richie Farmer (Mark Farrow, designee); Dennis Griffin; Sam Lawson; Jim Mahan; Wayne Mattingly; Sam Moore; Dean M. Scott Smith; Secretary Gene Strong (Don Goodin, designee)

Members with Excused Absences

Governor Ernie Fletcher, Vickie Yates Brown, Wayne Hunt

Others Present

Staff - Stacia Alford, Catherine Ball, Angela Blank, Brian Furnish, Sandy Gardner, Todd Harp, Tim Hughes, Katie Keeton, Bill McCloskey, Joel Neaveill, Keith Rogers, Kylee Smith, Nick Whobrey, Stephen Yates

Guests – Dr. Jimmy Henning, University of Kentucky (UK) College of Agriculture; Anna Kindrick, Kentucky Department of Agriculture; Kara Keeton, Keeton Communications; Ray Bowman, Kentucky Goat Producers Association (KGPA); Debra Ashcraft, Mimi's Kitchen; Melissa Miller, Kentucky Poultry Federation; Tony Pescatore, UK College of Agriculture; Dr. David Ditsch, KGPA

Notification of Media

Mr. Mark Farrow received verification from Keith L. Rogers, Chief Executive Officer, that the media had received notice regarding the Kentucky Agricultural Development Board's monthly meeting.

Welcome

Mr. Farrow welcomed everyone to the Kentucky Agricultural Development Board's monthly meeting.

Approval of Minutes

Dean Scott Smith moved to approve the minutes of the December 15, 2006 meeting as presented: Rodney Dick seconded the motion. The motion passed without dissent.

Executive Director's Report

Keith Rogers began his report with introductions of the new staff assistant, Katie Keaton of Georgetown and the new compliance specialist, Kylee Smith of Shelbyville. Nicole Ray has moved from Administrative Assistant to Administrative and Marketing Specialist with the Kentucky Agricultural Finance Corporation.

Mr. Rogers reported that the Oversight Committee met and had good things to say about the projects that were approved in December. Projects such as B&R Enterprises, Kentucky Specialty Grains and Allied Food Marketers West. Several questions were raised by the Oversight Committee regarding the Kentucky Poultry Federation and who benefits from this project.

Mr. Rogers asked Tim Hughes to give the Kentucky Agricultural Finance Corporation (KAFC) Report. Many questions were asked of Mr. Hughes regarding: Kentucky Specialty Grains, Pitman Creek Wood Products, Burton Livestock LLC., the future of KAFC, and the Beginning Farmer Loan Program. (Handout on file with Board Secretary)

Mr. Rogers addressed the memo included in the board packet regarding the Receptient Review Committee. The committee consist of Sam Lawson, Rodney Dick, and Jim Mahan. A five member advisory committee will meet by conference call for projects on deferred status. A sheet of potential questions has been compiled for the Project Review Committee to assist in deferred projects discussion. (Handout on file with Board Secretary)

Dr. Jimmy Henning explained that the State Extension Conference will be held in Lexington, Kentucky on February 8. He explained the conference and the agenda. (Handout on file with Board Secretary)

Mr. Rogers reported to the Board that Kentucky West Nursery Cooperative sent in their last payment and the project is now completed.

The Economic Impact Project has began. This will evaluate the model and non-model programs and their benefit to Kentucky. Mr. Rogers asked that the Technical Assistance Committee members help in this endeavor. This committee will consist of H.H. Barlow (Chair), John Cleaver, Jim Mahan, Scott Smith, Don Goodin and Wayne Mattingly.

Mr. Rogers called on Brian Furnish to update the Board on his recent trip to Texas with Cabbage, Inc. The producers asked many questions of Cabbage, Inc. while on the trip. Kentucky growers are excited about working with the company. Mr. Furnish explained how Cabbage, Inc. works and why Kentucky is in a good place for intrastate travel.

Mr. Rogers congratulated Jim Mahan on his son and daughter-in-law winning the American Farm Bureau Young Farmer and Rancher Achievement Award in Salt Lake City, Utah.

Presentation

Keith Rogers introduced Rick Alexander with the Commodity Growers Cooperative to give a presentation to the Board members on the H-2A program. (Handout on file with Board Secretary)

Old Business

County Comprehensive Plan Initiative

Mr. Rogers introduced the County Comprehensive Plan for Agriculture. The Agriculture Development Board has approved an initiative to encourage and support county agriculture development councils to review and update their county comprehensive plans. Staff brought forth a draft document including guidelines and recommendations for county councils to implement and update their plans. This initiative will be introduced at the State Extension Conference on February 8, 2007. (Handout on file with Board Secretary)

New Business

Referral of February Projects¹

Mr. Rogers presented projects A2006-0320 to A2006-0381 for referral to the Board's February meeting for review. Jim Mahan moved that projects A2006-0320 to A2006-0381 be referred for September review; Wayne Mattingly seconded the motion. The motion passed without dissent.

Approval of Model Programs²

Mark Farrow submitted projects requesting funds for county model programs. Rodney Dick moved the said applications be approved for the named model programs; Jim Mahan seconded the motion. The motion passed without dissent.

Requested Amendments³

Mr. Rogers presented sixteen requested amendments for approval. Dean Smith moved that said amendments be approved; Dennis Griffin seconded the motion. The motion passed without dissent.

Stephen Yates presented a memo from the Kentucky Department of Agriculture (KDA) regarding project A2003-0350 – Office of Agri-Tourism. KDA requested a time extension for the project. Rodney Dick moved that said amendment be approved; H.H. Barlow seconded the motion. The motion passed without dissent.

Recommendations for Funding

Todd Harp presented A2006-0483, **Lawrence County Farm Bureau, Inc. of Lawrence County, Kentucky**. Lawrence County Farm Bureau, Inc. of Lawrence County, Kentucky requests \$4,286 in Lawrence County funds to purchase marketing and sales equipment. Mr. Harp reviewed the proposed terms and conditions for the project.

H.H. Barlow moved that **A2006-0483 be approved for \$4,286 in Lawrence County funds**; Rodney Dick seconded the motion. The motion passed without dissent.

Todd Harp presented A2006-0486, **Jackson County Cattlemen's Association, Incorporated**. Jackson County Cattlemen's Association, Incorporated requests \$100,000 in Jackson County funds to administer a Heifer Replacement Program. Mr. Harp reviewed the proposed terms and conditions for the project.

Rodney Dick moved that **A2006-0486 be approved for \$100,000 in Jackson County funds**; John Cleaver seconded the motion. The motion passed without dissent.

Stephen Yates presented A2006-0490, **Bath County Conservation District**. Bath County Conservation District requests \$105,000 in Bath County funds to administer a menu approach for three model program: Hay, Straw & Commodity Storage, Forage Improvement and Agricultural Diversification. Mr. Yates reviewed the proposed terms and conditions for the project.

¹ A detailed list of the referred projects is attached as Appendix A.

² A detailed list of projects funded under each model program category is attached as Appendix B.

³ A detailed list of requested amendments approved is attached as Appendix C.

John Cleaver moved that **A2006-0490 be approved for \$105,000 in Bath County funds**; Donna Amburgey seconded the motion. The motion passed without dissent.

Todd Harp presented A2006-0491, **Rockcastle County Goat Producers Association, Inc.** Rockcastle County Goat Producers Association, Inc. requests \$10,000 in Rockcastle County funds to administer a menu approach for two model programs: Goat & Sheep Diversification and Farm Livestock Fencing Improvement. Mr. Harp reviewed the proposed terms and conditions for the project.

Rodney Dick moved that **A2006-0491 be approved for \$10,000 in Rockcastle County funds**; John Cleaver seconded the motion. The motion passed without dissent.

Recommendations for No Funding

Bill McCloskey presented A2006-0443, **Hart County Board of Education**. Hart County Board of Education requests \$4,250 in Hart County funds to purchase an ActivBoard for the Agriculture classroom to enhance student learning at Hart County High School. Mr. McCloskey reviewed the proposed terms and conditions for the project.

Don Goodin moved that **A2006-0443 be denied funding based lack of benefit to tobacco dependent producers and other funding sources available**; Rodney Dick seconded the motion. The motion passed without dissent.

Recommendations for Pending Funding

The following applications were discussed, but no action was taken: Kentucky Shiitake Mushroom Growers Association (A2006-0469); McLean County Fiscal Court (A2006-00475); and University of Kentucky Research Foundation (A2006-0484).

Recommendations for Deferred Funding

Nick Whobrey presented A2006-0418, **Mimi's Kitchen, LLC**. Mimi's Kitchen, LLC requests \$41,000 in Owen County funds, \$1,000 in Franklin County funds, \$1,000 in Grant County funds and \$31,652 in State funds to open a certified kitchen in Owen County.

Mr. Whobrey introduced Debra Ashcraft with Mimi's Kitchen to answer any of the Board's questions. (Refer to handout on file with Board Secretary)

Todd Harp presented A2006-0430, **Kentucky Goat Producers Association, Inc.** Kentucky Goat Producers Association, Inc. requests \$154,748 in State funds for goat and forage research in Kentucky.

Mr. Harp introduced Ray Bowman with the Kentucky Goat Producers and Dr. David Ditsch from the University of Kentucky to answer any of the Board's questions. (Refer to handout on file with Board Secretary)

Stephen Yates presented A2006-0461, **Kentucky Poultry Federation**. Kentucky Poultry Federation requests \$1,212,032 for a two component project. The first component is the Vegetative Environment Buffer project. This component would allow for the design and

implementation of the vegetative environmental buffers (trees/shrubs) around poultry houses. The second component is the Poultry House Evaluation project, which would provide poultry producers with maintenance and cost effective upgrade recommendations to reduce energy costs.

Mr. Yates introduced Dr. Tony Pescatori and Melissa Miller with the Kentucky Poultry Federation, to answer any of the Board's questions. (Refer to handout on file with Board Secretary).

Other Business

Closing Remarks

The next meeting of the Kentucky Agricultural Development Board will convene at 10:00 AM EST on Friday, February 16, 2007 at the Kentucky Exposition Center in Louisville, KY. Note time and location of meeting subject to change; ample notification will be given if such a change occurs.

The meeting adjourned at 3:05 PM EST.

APPROVED: _____

PRESIDING OFFICER: _____

SECRETARY: _____

APPENDIX A: Applications for Referral

App #	Applicant	Request Type
A2006-0489	Burgin Independent FFA Chapter	Project
A2006-0490	Bath County Conservation District	Project
A2006-0491	Rockcastle County Goat Producers Association, Inc.	Project
A2006-0492	Harrison County Beef Cattle Association, Inc	Cattle Handling Facilities
A2006-0493	Harrison County Beef Cattle Association, Inc	On-farm Water Enhancement
A2006-0494	Jessamine County FFA Alumni Association Inc.	Project
A2006-0495	Jessamine County Conservation District	Forage Improvement & Utilization
A2006-0496	Greenup County Farm Bureau of Greenup County, Kentucky	Forage Improvement & Utilization
A2006-0497	Northern Kentucky Cattle Association, Inc.	Forage Improvement & Utilization
A2006-0498	Rowan County Fiscal Court	Project
A2006-0499	Bourbon County Fiscal Court	Cattle Genetics Improvement
A2006-0500	Metcalf County Cattlemen's Association, Inc.	Cattle Handling Facilities
A2007-0001	Floyd County Conservation District	Shared-use Equipment
A2007-0002	Kentucky Farmers Market Association, Inc.	Project
A2007-0003	Cumberland County Board of Education	Project

APPENDIX B: Model Programs Recommended for Approval

Agricultural Diversification

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0487	Buffalo Trace Area Development District	Robertson	\$43,000.00
			\$43,000.00

Cattle Genetics Improvement

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0499	Bourbon County Fiscal Court	Bourbon	\$63,000.00
			\$63,000.00

Cattle Handling Facilities

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0492	Harrison County Beef Cattle Association, Inc	Harrison	\$70,000.00
A2006-0500	Metcalfe County Cattlemen's Association, Inc.	Metcalfe	\$15,000.00
			\$85,000.00

Commercial Poultry Diversification

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0473	Jackson Purchase Resource Conservation and Development Foundation, Inc.	Ballard	\$104,000.00
			\$104,000.00

Dairy Diversification

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0488	Buffalo Trace Area Development District	Robertson	\$19,000.00
			\$19,000.00

Forage Improvement & Utilization

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0497	Northern Kentucky Cattle Association, Inc.	Boone	\$20,000.00
A2006-0496	Greenup County Farm Bureau of Greenup County, Kentucky	Greenup	\$52,500.00
A2006-0495	Jessamine County Conservation District	Jessamine	\$35,000.00
			\$107,500.00

On-farm Water Enhancement

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0493	Harrison County Beef Cattle Association, Inc	Harrison	\$75,000.00
			\$75,000.00

APPENDIX B: Model Programs Recommended for Approval

Shared-use Equipment

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2007-0001	Floyd County Conservation District	Floyd	\$1,400.00
			\$1,400.00

Total County Funds Recommended for Approval in Model Programs: **\$497,900.00**

APPENDIX C: Requested Amendments-Projects & Programs

App #	A2006-0128
Applicant Name	Franklin County Cattlemen's Association, Inc.
Amount Approved	\$130,362.00
Date	May 19, 2006
Requested Change	The applicant requests an <u>additional</u> \$26,416.00 for a menu approach of the following programs: <i>Cattle Genetics Improvement, Cattle Handling Facilities, Farm Livestock Fencing Improvement, Technology, Agricultural Diversification, & Hay, Straw and Commodity Storage Programs</i> . The request received a <u>high</u> priority from the Franklin County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$156,778.00.
Recommendation	Approval
App#	A2006-0037
Applicant Name	Harrison County Beef Cattle Association, Inc.
Amount Approved	\$14,000.00
Date	March 17, 2006
Requested Change	The applicant requests an <u>additional</u> \$15,000.00 for the <i>Agricultural Diversification</i> Program. The request received a <u>high</u> priority from the Harrison County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$29,000.00.
Recommendation	Approval
App#	A2006-0036
Applicant Name	Harrison County Beef Cattle Association, Inc.
Amount Approved	\$19,000.00
Date	March 17, 2006
Requested Change	The applicant requests an <u>additional</u> \$4,990.00 for the <i>Forage Improvement & Utilization</i> Program. The request received a <u>high</u> priority from the Harrison County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$23,990.00.
Recommendation	Approval
App#	A2006-0035
Applicant Name	Harrison County Beef Cattle Association, Inc.
Amount Approved	\$5,000.00
Date	March 17, 2006
Requested Change	The applicant requests an <u>additional</u> \$2,132.00 for the <i>Goat & Sheep Diversification</i> Program. The request received a <u>high</u> priority from the Harrison County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$7,132.00.
Recommendation	Approval

APPENDIX C: Requested Amendments-Projects & Programs

App#	A2006-0141
Applicant Name	Garrard County Farm Bureau, Inc.
Amount Approved	\$13,000.00
Date	May 19, 2006
Requested Change	The applicant requests an <u>additional</u> \$2,000.00 for the <i>Agricultural Diversification</i> Program. The request received a <u>high</u> priority from the Garrard County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$15,000.00.
Recommendation	Approval

App#	A2006-0142
Applicant Name	Garrard County Farm Bureau, Inc.
Amount Approved	\$81,000.00
Date	May 19, 2006
Requested Change	The applicant requests an <u>additional</u> \$7,000.00 for the <i>Cattle Handling Facilities</i> Program. The request received a <u>high</u> priority from the Garrard County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$88,000.00.
Recommendation	Approval

App#	A2006-0138
Applicant Name	Garrard County Farm Bureau, Inc.
Amount Approved	\$79,000.00
Date	May 19, 2006
Requested Change	The applicant requests an <u>additional</u> \$10,000.00 for the <i>Hay, Straw and Commodity Storage</i> Program. The request received a <u>high</u> priority from the Garrard County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$89,000.00.
Recommendation	Approval

App#	A2006-0181
Applicant Name	Mason County Livestock Improvement Association, Inc.
Amount Approved	\$50,000.00
Date	May 19, 2006
Requested Change	The applicant requests an <u>additional</u> \$20,000.00 for the <i>Cattle Handling Facilities</i> Program. The request received a <u>high</u> priority from the Mason County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$70,000.00.
Recommendation	Approval

APPENDIX C: Requested Amendments-Projects & Programs

App#	A2006-0193
Applicant Name	Mason County Agricultural Development Council
Amount Approved	\$50,000.00
Date	May 19, 2006
Requested Change	The applicant requests an <u>additional</u> \$30,000.00 for the <i>Hay, Straw and Commodity Storage</i> Program. The request received a <u>high</u> priority from the Mason County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$80,000.00.
Recommendation	Approval
App#	A2005-0475
Applicant Name	Bracken County Ag Advancement Council
Amount Approved	\$44,625.00
Date	September 16, 2005
Requested Change	The applicant requests an <u>additional</u> \$1,175.00 for the <i>Dairy Diversification</i> Program. The request received a <u>high</u> priority from the Bracken County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$45,800.00.
Recommendation	Approval
App#	A2005-0554
Applicant Name	Jackson Purchase Resource Conservation and Development Foundation, Inc.
Amount Approved	\$71,344.00
Date	November 18, 2005
Requested Change	The applicant requests an <u>additional</u> \$1,417.00 for the <i>Hay, Straw and Commodity Storage</i> Program. The request received a <u>high</u> priority from the McCracken County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$72,761.00.
Recommendation	Approval
App#	A2005-0545
Applicant Name	LaRue County Beef Cattle Association
Amount Approved	\$105,000.00
Date	November 18, 2005
Requested Change	The applicant requests an <u>additional</u> \$20,000.00 for the <i>Farm Livestock Fencing Improvement</i> Program. The request received a <u>high</u> priority from the LaRue County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$125,000.00.
Recommendation	Approval

APPENDIX C: Requested Amendments-Projects & Programs

App# **A2006-0189**
Applicant Name **Metcalfe County Cattlemen's Association**
Amount Approved \$108,396.00
Date May 19, 2006
Requested Change The applicant requests an additional \$16,000.00 for the *Hay, Straw and Commodity Storage* Program. The request received a high priority from the Metcalfe County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$124,396.00.

Recommendation Approval

App# **A2006-0188**
Applicant Name **Metcalfe County Cattlemen's Association**
Amount Approved \$50,000.00
Date May 19, 2006
Requested Change The applicant requests an additional \$15,000.00 for the *Farm Livestock Fencing Improvement* Program. The request received a high priority from the Metcalfe County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$65,000.00.

Recommendation Approval

App# **A2006-0187**
Applicant Name **Metcalfe County Cattlemen's Association**
Amount Approved \$20,000.00
Date May 19, 2006
Requested Change The applicant requests an additional \$16,000.00 for the *On Farm Water Enhancement* Program. The request received a high priority from the Metcalfe County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$36,000.00.

Recommendation Approval

App# **A2006-0185**
Applicant Name **Metcalfe County Cattlemen's Association**
Amount Approved \$40,737.00
Date May 19, 2006
Requested Change The applicant requests an additional \$46,000.00 for the *Forage Improvement & Utilization* Program. The request received a high priority from the Metcalfe County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$86,737.00.

Recommendation Approval